

\$902,377,346,—an amount never before equalled, and never equalled afterwards until 1892. The excess of exports over imports of merchandise was \$264,661,666 in 1879, \$167,683,912 in 1880, and \$259,712,718 in 1881. Europe was suffering from a deficiency of crops, for which, in the language of Mr. Wells, "in respect to duration and extent, there had been no parallel in four centuries." \* The tide of gold, which had been outward for sixteen years, turned towards America in 1878, and the net gold imports were \$77,119,371 in 1880, and \$97,466,127 in 1881. The Bank of France found its reserve falling in the autumn of 1881, and endeavored to avoid too sharp an advance in the discount rate by paying light coin and charging a premium for bullion. The Bank of England raised its discount rate on October 6th from four to five per cent., and the Bank of France followed with a like advance on October 20th. The crash came in Paris and Lyons in January, 1882, with the collapse of the *Union G/n/rafa* and a fall in all classes of securities. The Lyons brokers sought and obtained succor from the Bank of France,, to the amount of 100,000,000 francs, upon securities which would not ordinarily have been accepted, and the Paris agents of exchange obtained 80,000,000 francs, upon the guarantee of a syndicate of bankers. The sum of ^924,000 was withdrawn from the Bank of England for France on January 30th, and ^2,000,000 was drawn out during the week. The Bank of England discount rate was advanced on February 2d to six per cent., and private bankers, contrary to their usual custom, raised their rates to that of the bank.<sup>2</sup>

The counter-stroke of the crisis in the United States, which was delayed until 1884, was more financial than economic, but the multitude of failures caused intense alarm for a time and threatened to bring business to a standstill. The Marine Bank of New York suspended on May 5th, closely followed by the failure of the Metropolitan Bank, the exposure of the peculiar methods of John C. Eno, Ferdinand

<sup>1</sup> *Recent JSconomic Changes*, 6.

<sup>2</sup> Juglar, 396.